

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor: SUZANNE M. BUMP | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

MEMORANDUM

TO: Brookline Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: November 20, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payment is made bi-monthly from July through December of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

JEC/jrl

Enc.



SECTION 2: Valuation Results for the Town of Brookline Contributory Retirement System

CHART 16

Fully Funded by 2030 with appropriations increasing 5.50% per year

(1) Fiscal Year Ended June 30	(2) Employer Normal Cost	(3) Amortization of 2003 ERI Liability	(4) Amortization of Remaining Liability	(5) Total Plan Cost: (2) + (3) + (4)	(6) Total Unfunded Actuarial Accrued Liability at Beginning of Fiscal Year	(7) Total Plan Cost: % Increase
2015	\$3,716,893	\$4,396	\$14,483,643	\$18,204,932	\$199,784,865	--
2016	3,861,872	4,593	15,339,737	19,206,203	199,379,471	5.50%
2017	4,051,239	4,800	16,206,505	20,262,544	198,321,410	5.50%
2018	4,249,851	5,016	17,122,116	21,376,984	196,266,999	5.50%
2019	4,458,161	5,242	18,089,315	22,552,718	193,088,905	5.50%
2020	4,676,640	5,478	19,111,000	23,793,117	188,647,216	5.50%
2021	4,905,781	5,724	20,190,234	25,101,739	182,788,325	5.50%
2022	5,146,105	5,982	21,330,247	26,482,335	175,343,714	5.50%
2023	5,398,155	6,251	22,534,458	27,938,863	166,128,645	5.50%
2024	5,662,500	6,532	23,806,468	29,475,500	154,940,728	5.50%
2025	5,939,738	6,826	25,150,089	31,096,653	141,558,385	5.50%
2026	6,230,497	7,133	26,569,339	32,806,969	125,739,172	5.50%
2027	6,535,432	7,454	28,068,466	34,611,352	107,217,971	5.50%
2028	6,855,234	7,790	29,651,953	36,514,976	85,705,030	5.50%
2029	7,190,624	8,140	31,324,536	38,523,300	60,883,839	5.50%
2030	7,542,359	8,506	32,999,274	40,550,139	32,408,823	5.26%
2031	7,911,233	-	-	7,911,233	-	-80.49%

Notes: Contributions are assumed to be paid bimonthly between July 1 and December 31.

Item (2) reflects 3.5% growth in payroll in fiscal year 2016 and 4.5% growth thereafter, as well as 0.15% adjustment to normal cost to reflect the effects of mortality improvement due to generational mortality assumption.

Item (3) increases at 4.50% per year.

Assumes contribution of budgeted amount for fiscal year 2015.